

Exhibit E

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13 April 23, 2007 Telephone Call - F. Fischer/FLO and

14 R. Mathieu/Little Rock National Airport

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1 RON MATHIEU: Ron Mathieu.

2 COLIN: Hey, Ron. It's Colin and Fred
3 Fischer. How are you, sir?

4 RON MATHIEU: Good. Yourself?

5 COLIN: I'm doing well, thank you.

6 FRED FISCHER: Doing well, how about
7 you?

8 RON MATHIEU: Good. Thank you.

9 FRED FISCHER: We just wanted to touch
10 base with you; get a little debrief on, uh, on
11 your decision. We understand you went to Clear.

12 RON MATHIEU: Mm-hm.

13 FRED FISCHER: We completely understand
14 it. If contract negotiations do break down, we
15 wanted to let you know that we are there for you.

16 RON MATHIEU: Okay.

17 FRED FISCHER: And also wanted to just
18 hear from you, you know, what we could've done
19 better and what you thought the positive and
20 negatives were.

21 RON MATHIEU: Well, let me -- let me
22 start off with the positive stuff. I mean, and it
23 wasn't the type of thing where you guys came and
24 you screwed anything up -- mind you, okay? It
25 wasn't that at all. Um, I think that the

1 commission was very, very impressed with the
2 group that you put together. They're certainly
3 down with ASA, you know, a hometown boy, that
4 certainly doesn't hurt.

5 FRED FISCHER: Yes.

6 RON MATHIEU: Um, the commission was
7 impressed with the concept of getting revenue
8 from, um, everyone in the state and they kind of
9 teetered between you guys and -- and Clear. I
10 think that at the end of the day, what really
11 tipped it in their -- for them is the fact that,
12 you know, we've got a number of initiatives that
13 are going on right now and we're really trying to
14 go out there and attract some customers back
15 because, as you know, we're in a fly-drive
16 market. People can drive to where they're going
17 within a 400-mile radius as opposed to flying.
18 And they do that quite a bit. So we're really
19 trying to track people back and say this is an
20 easy airport, it's easy to come in and out, we
21 appreciate you. We're putting in free Wi-Fi,
22 we've got, um, that'll go live May 1st. We just
23 put in valet parking, meter parking, we've got an
24 inline system going in, and we're going to expand
25 the throats.

1 So all those things are going in and
2 they really want -- they're going to, um, hit
3 like one after another, and the commission really
4 wants this to be -- to be done well. And at the
5 end of the day the thing that really got them
6 more than anything else is that Clear has done
7 this on a number of occasions at a number of
8 different airports, and they can help us all
9 navigate, um, through this and really do a good
10 implementation, having done it before.

11 Um, but having said that, I can tell
12 you that the commission also -- and this is
13 public record -- um, made it very clear to me
14 that I need to have a good out clause in there in
15 the event that either, A, Clear doesn't perform,
16 or, B, the technology on this changes so much in
17 the next year or so that we decided we want to go
18 back out on the market -- but they have the
19 flexibility to be able to do that.

20 FRED FISCHER: Okay.

21 [COLIN?]: That's great.

22 RON MATHIEU: So, and that's -- and
23 that's really what it was more than anything
24 else. I tell you, if you -- I'll just be candid
25 with you. If you guys were in -- currently in and

1 operating, you know, one-two airports -- and this
2 was going to be a third airport, uh, then with
3 everything else that you guys brought to the
4 table with RAM and so forth, you guys would've
5 gotten it. It's just that simple.

6 FRED FISCHER: That's good to hear. Um,
7 one of the things we didn't do, which we think we
8 learned a lesson in this one, is we didn't go, uh
9 -- I won't say negative. We didn't compare -- we
10 didn't look at our competition and attack our
11 competition.

12 RON MATHIEU: Well, you know, that's
13 always very risky, to be honest with you.

14 FRED FISCHER: Right.

15 RON MATHIEU: But I will tell you this,
16 though, um, in terms of -- and when I tell you
17 this, I'm going to give you both sides of it,
18 okay, 'cause I think that's what you're looking
19 for.

20 [COLIN?]: Absolutely.

21 RON MATHIEU: Um, on the one hand, it
22 was particularly distasteful for me; but on the
23 other hand, you've got to give the guy credit.
24 Once they knew all the presentations were in,
25 Clear set somebody out there to make photocopies

1 of the other two presentations. It's public
2 record. And so they knew exactly what was
3 submitted and what was recommended for everybody
4 before they made their proposal. This is one of
5 the things about being in a public arena -- you
6 have a right to do the same thing.

7 FRED FISCHER: But we wouldn't have
8 access to their presentations because they hadn't
9 made them yet.

10 RON MATHIEU: That's true. But you --
11 but you would have access to their proposal.

12 FRED FISCHER: Right.

13 [COLIN?]: Just to hear -- you know,
14 that is never as -- you know, I kind of leaded
15 the group, you know, I did the presentation.
16 That's never been my style. I always try to put
17 our best foot forward and obviously you're
18 concerned about the competition. You know, we
19 might change that strategy in the future.

20 Now, as far as written response and
21 presentation and overview, uh, did you think that
22 we were the leaders in that, or is there anything
23 that we can tailor in that market? Obviously, the
24 experience came into play and I completely
25 understand. I mean, you know, we haven't got

1 Huntsville up and running yet. Obviously that
2 would've helped...

3 RON MATHIEU: [OVERLAPPING] And that
4 was it. Let me tell you something. Two things
5 concerned the commission more than anything else.
6 They felt that this was an important airport
7 because three of our direct market and possibly
8 four have Clear in them. And so they wanted to
9 know that that interoperability was up working
10 somewhere, and they wanted somebody who had done
11 it at least once before.

12 COLIN: Okay.

13 RON MATHIEU: And that was it. But let
14 me tell you, your concept about, you know,
15 putting the kiosks up in Wal-Mart... In fact,
16 when they were talking about this and making
17 their selection, they constantly confused you
18 guys and Clear. You know, they -- you know, the
19 presentation that you already had out here with
20 the companies, sending a kiosk to them if there
21 were 25 people, I believe you said, that were
22 interested, as opposed to 250 -- all those things
23 that you talked about really resonated with the
24 commission, both on the service end and as the
25 concept that they'd get a piece of everyone in

1 the state of Arkansas. So all of that resonated
2 and it really hit well with them -- and the fact
3 that you had local partners in ACA. All of that
4 hit well. The only thing that hurt you, um --
5 well, I won't say it hurt you, but the thing that
6 they gave credit to clear on is they have done
7 this at many different airports before and they
8 can come in with a real good formula, you know,
9 and a template and say, okay, this is how it
10 works, and do it quick. As opposed to doing it
11 kind of an on-the-job, learning...

12 FRED FISCHER: Yeah. We understand. The
13 point I was going to make before -- before we got
14 sidetracked was...

15 RON MATHIEU: Sorry.

16 FRED FISCHER: You know, one of the
17 things we would've done if we would -- if we
18 would have taken a look side-by-side -- us and
19 Clear -- I don't know if you heard in the
20 meeting, I come from Clear.

21 RON MATHIEU: Okay.

22 FRED FISCHER: I was number three there
23 for the last year, up until, uh, up until
24 January.

25 RON MATHIEU: Mm-hm.

1 FRED FISCHER: The airports that are up
2 and running, um, and I don't know if it's too
3 late to do some homework -- most of them are
4 considered a failure by the airport authority.

5 RON MATHIEU: Mm-hm.

6 FRED FISCHER: Um, Cincinnati signed
7 less than, I believe it's 4,000. The other thing
8 that -- that they put out there is they give you
9 numbers that are membership numbers. Those aren't
10 cardholders. Those are people who have gone to
11 the website, and enrolled and haven't paid them,
12 and they're not -- they're not exactly signed up.

13 RON MATHIEU: Mm-hm.

14 FRED FISCHER: But the point is is
15 that, I would consider Orlando a success. I would
16 consider everything they've opened since January
17 a failure. I'm a Clear member. My card -- I came
18 in under the Orlando program. My card is not
19 interoperable. I can't use it in San Jose, I
20 can't use it in Cincinnati, I can't use it in
21 Indianapolis. Eventually they're going to remedy
22 that but the program's not even interoperable in
23 their own company.

24 RON MATHIEU: Right.

25 FRED FISCHER: So just some facts that

1 we would've probably put on the table. I don't
2 know if they would've helped or hurt...

3 RON MATHIEU: Well, I think they
4 might've helped.

5 FRED FISCHER: Okay.

6 RON MATHIEU: I think that -- I think
7 that would've helped, to be honest with you.

8 FRED FISCHER: Okay, yeah.

9 RON MATHIEU: You know?

10 FRED FISCHER: And I've got to tell
11 you, the contract negotiation part will be a
12 rough process.

13 RON MATHIEU: Mm-hm.

14 FRED FISCHER: If for some reason it
15 breaks down, like Colin said, we're here.

16 RON MATHIEU: Not a problem. And the
17 commission has already directed us to go
18 negotiate with them, and then from them to you,
19 and then from you to, uh, the third company.

20 COLIN: Not that we get any, uh,
21 consolation but we did finish second. I mean,
22 second to me is tied for last, but... [CHUCKLES]

23 RON MATHIEU: No, I understand that.
24 But, but, you know, the issue is just to
25 understand why you were second. If it were not

1 for that, you would've been first. And that's
2 what I want you to walk away with, uh, because I
3 think you did -- you guys did a really good job,
4 especially on the, uh, revenue piece of it.

5 FRED FISCHER: Did it resonate that we
6 would, uh -- even if -- I think we said it once,
7 if we weren't selected we'd sell more cards in
8 Little Rock. Was that taken under consideration?

9 RON MATHIEU: Yes, it was, and it
10 scared the crap out of the commissioners.

11 FRED FISCHER: Okay.

12 RON MATHIEU: To be honest with you.

13 FRED FISCHER: I still think that's
14 going to be a fact. But, you know, we'll see.
15 Time will tell.

16 RON MATHIEU: Well, and -- and the
17 whole vibe on this thing is -- and what's got
18 everybody up in arms, uh, well -- well, some of
19 the commissioners are like "Well, what's to stop
20 somebody from entering the market and just doing
21 cards and not ever having...?"

22 FRED FISCHER: No, you can't do that
23 under TSA. TSA says you have to have an airport
24 somewhere in order to issue cards.

25 RON MATHIEU: Right, well...

1 FRED FISCHER: So you'd have to be
2 fully into the program. But, as I think I said in
3 the presentation, you've got two cards at \$99.
4 Mine has a handful of benefits, the other one has
5 no benefits.

6 RON MATHIEU: Right.

7 FRED FISCHER: Which one are you going
8 to choose? And it's still our goal to go into the
9 Peabody, uh, and to set up a kiosk, and to go
10 into corporations around town and sell cards.
11 That's -- that's our -- you know, that's what we
12 plan on doing. Regardless of whether we have the
13 airport or not.

14 RON MATHIEU: Right. Well... And we're
15 sorry to hear that. [CHUCKLES]

16 FRED FISCHER: I know.

17 RON MATHIEU: But we're happy for you
18 and I say go for it, go gangbusters, and then
19 let's see what happens, um, you know, a year or
20 two from now.

21 FRED FISCHER: Are you going to set --
22 what kind of term are you going to set with them?

23 RON MATHIEU: Well, you know, we're
24 still negotiating that, to be honest with you.

25 Um, the best return is five years obviously and

1 the, um, the RP called for, um, three years with
2 a three-year option. So we're probably going to
3 try and stick with that, to be honest with you.
4 I'm just not sure yet, um, exactly how it's all
5 going to stand up. I don't get, you know, their
6 thoughts and stuff back until sometime late
7 today. And at that point I'll sit and go through
8 it.

9 FRED FISCHER: Okay.

10 RON MATHIEU: And, uh, then we'll see
11 where we are.

12 COLIN: Are we still on an open
13 document period?

14 RON MATHIEU: Um, well, I mean -- the
15 FOI laws in the state of Arkansas are pretty
16 clear. Anything that I have, unless it's -- the
17 attorneys got it, is subject to FOI. As long as
18 it's in my hand it's in the process of
19 negotiating, it's subject to FOI, so...

20 COLIN: Okay.

21 FRED FISCHER: So, Colin, whatever you
22 need to do to get those documents. Did they
23 leave, uh, their presentation behind? I know we
24 did not.

25 RON MATHIEU: Uh, you know, I don't

1 remember what they did with their presentation. I
2 have to go take a look.

3 FRED FISCHER: Okay.

4 RON MATHIEU: And as long as we have
5 it, you can have it.

6 FRED FISCHER: Great.

7 RON MATHIEU: Get a copy. Now the other
8 thing I just have to let you guys know in the
9 interest of being, um, um, very open about
10 everything is I got a call from somebody named,
11 uh, Demetrius Metiff. I believe that's how his
12 name is pronounced. And he wanted to know how the
13 presentation went, and he said he was an investor
14 and so forth. And so, again...

15 FRED FISCHER: We'll follow that up.

16 RON MATHIEU: Yeah. Well, I spoke to
17 him.

18 FRED FISCHER: Okay.

19 RON MATHIEU: When he called. And I
20 told him the same thing I told you guys. You
21 know, again, this is -- everything I do is in --
22 is in the open, it's in the public, and so I just
23 wanted to let you know that I had that
24 conversation with him.

25 FRED FISCHER: Well, if you gave him

1 the same response you gave us, we're in good
2 shape.

3 RON MATHIEU: Yep.

4 FRED FISCHER: Because you basically
5 told him that -- because we didn't have -- we
6 would've finished first if we had an airport.

7 RON MATHIEU: That's correct. I
8 basically told him exactly the same thing I'm
9 telling you. I have nothing to hide, I'm telling
10 everybody the same.

11 FRED FISCHER: I say this totally off
12 the record -- I owe you dinner.

13 RON MATHIEU: [LAUGHS]

14 COLIN: Hey, Ron, thank you. Thank you
15 very much for your candidness and...

16 FRED FISCHER: Thank you, Ron.

17 RON MATHIEU: Not a problem.

18 COLIN: If anything does happen, I know
19 you're probably going to be busy going into
20 contract negotiations now. If anything falls
21 apart let us know.

22 RON MATHIEU: Will do.

23 COLIN: We'd be happy to help.

24 RON MATHIEU: Thank you.

25 COLIN: Thank you, sir.

1 RON MATHIEU: Take care, guys.

2 FRED FISCHER: Appreciate it, Ron.

3 RON MATHIEU: Mm-hm. Bye bye.

4 [END OF TAPE]

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11 Attested to by:

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14 Patrick Weaver
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Exhibit F

VERIFIED IDENTITY PASS, Inc.

Cynthia Brill, General Counsel
212-332-6303, cbrill@brillbusiness.com

May 22, 2007

Fred P. Fischer
6105 Old Orchard Road
Kernersville, NC 27284

Registered Mail Return Receipt Requested

Dear Fred:

This letter is to inform you that we have learned, as a result of having obtained via an open records act request from the Little Rock National Airport the audio recording of the Bidders' oral presentations with regard to that airport's Registered Traveler RFP, that you revealed Confidential and Proprietary Information as defined by your employment agreement, belonging to Verified Identity Pass, Inc. One example is your discussion of the conditions under which Verified Identity Pass, Inc. agrees to conduct mobile enrollments for area employers. It is one thing for you to have misrepresented to the Airport commissioners the so-called commitments you have from entities ranging from Wal-Mart to Global Rescue. It is quite another to have committed such an express and material breach of your contract with us in this way.

Sincerely,



Cynthia M. Brill
General Counsel



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